## KSA PRIMARY CONSUMER SENTIMENT INDEX

March 2025



## Contents















## INTRODUCTION



A surt and an and a surt a s





#### Introducing the Primary Consumer Sentiment Index

Ipsos Saudi Arabia's Consumer Sentiment Index (PCSI), is a national survey of consumer attitudes on the current and future state of the local economy, personal financial situation, as well as confidence to make large investments and ability to save.

Consumer sentiment is a key predictor of purchase trends in the market. Despite it being a lagging indicator, if consumer confidence is high, people will make more purchases and the economy will expand.

Businesses and policy makers can monitor changes in the index to factor the data in their decision-making processes. A wave-on-wave decreasing trend suggests consumers have a negative outlook on their ability to spend. Thus, manufacturers September expect consumers to avoid retail purchases, particularly items that require financing. Likewise, banks can anticipate a decrease in lending activity, mortgage applications, and credit card usage.



### Introducing the Primary Consumer Sentiment Index

The PCSI result is driven by the aggregation of four, weighted, sub-Indices

12344PCSI Current<br/>Personal<br/>Financial<br/>ConditionsPCSI Economic<br/>ExpectationsPCSI Investment<br/>ClimatePCSI<br/>Employment<br/>Confidence



#### **Overall PCSI survey questions**

#### Compared to 6 months ago, Rate the current state of the Looking ahead six months Rate your current financial Looking ahead six months economy in your local area from now, do you expect the situation, using a scale from 1 from now, do you expect your are you now more or less using a scale from 1 to 7, economy in your local area to to 7, where 7 means your personal financial situation to comfortable making a major where 7 means a very strong be much stronger, somewhat personal financial situation is be much stronger, somewhat purchase, like a home or car? economy today and 1 means a stronger, about the same, very strong today and 1 means stronger, about the same, very weak economy. somewhat weaker, or much it is very weak. somewhat weaker, or much weaker than it is now? weaker than it is now? 8 9 6 Compared to 6 months ago, Compared to 6 months ago, Compared to 6 months ago, Thinking of the last 6 months, Now look ahead at the next six are you now more or less are you now more or less are you now more or less have you, someone in your months. How likely is it that comfortable making other confident about job security confident of your ability to family or someone else you you, someone in your family or household purchases? for yourself, your family and invest in the future, including know personally lost their job someone else you know other people you know your ability to save money for as a result of economic personally will lose their job in the next six months as a result your retirement or your conditions? personally? children's education? of economic conditions?

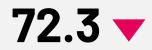
## PRIMARY CONSUMER SENTIMENT INDEX



© Ipsos | PCSI- KSA | March 2025

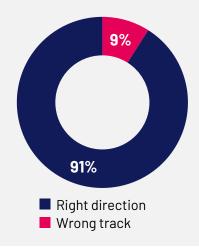
### **PCSI summary**

PCSI March 2025



#### Right direction / wrong track

Q: Generally speaking, would you say things in this country are heading in the right direction, or are they off on the wrong track?

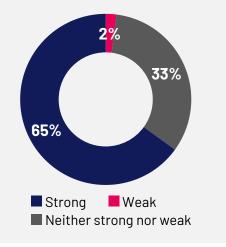


#### Previous wave - February 2025

73.3

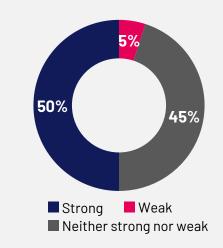
#### Country economic situation

Q: Rate the current state of the economy in your local area using a scale from 1 to 7, where 7 means a very strong economy today and 1 means a very weak economy.

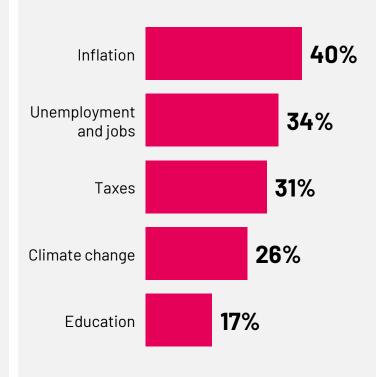


#### Personal financial situation

Q: Rate your current financial situation, using a scale from 1 to 7, where 7 means your personal financial situation is very strong today and 1 means it is very weak.



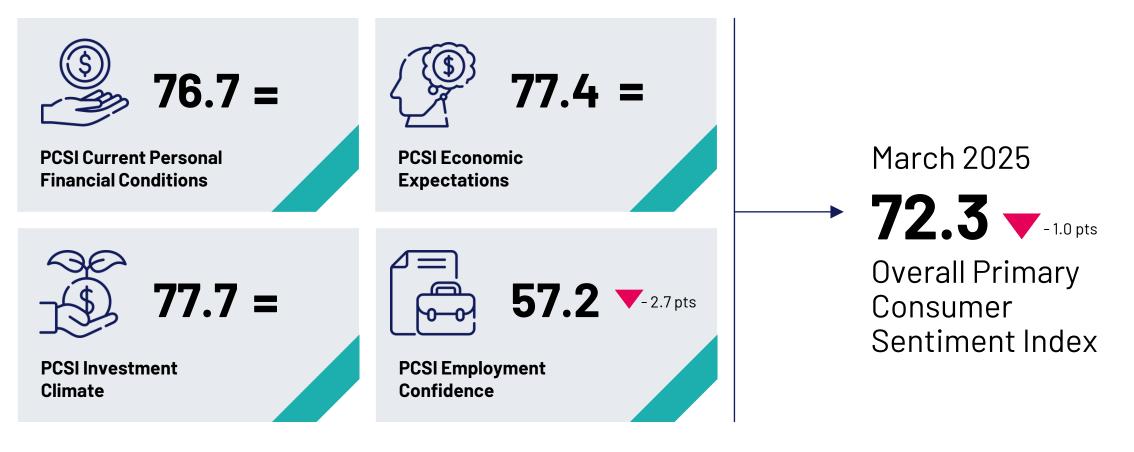
#### Top 5 concerns for consumers In Saudi Arabia





### **PCSI summary**

The PCSI result is driven by the aggregation of four, weighted, sub-Indices



V Decreased vs previous wave

= Less than 1 point difference vs. previous wave

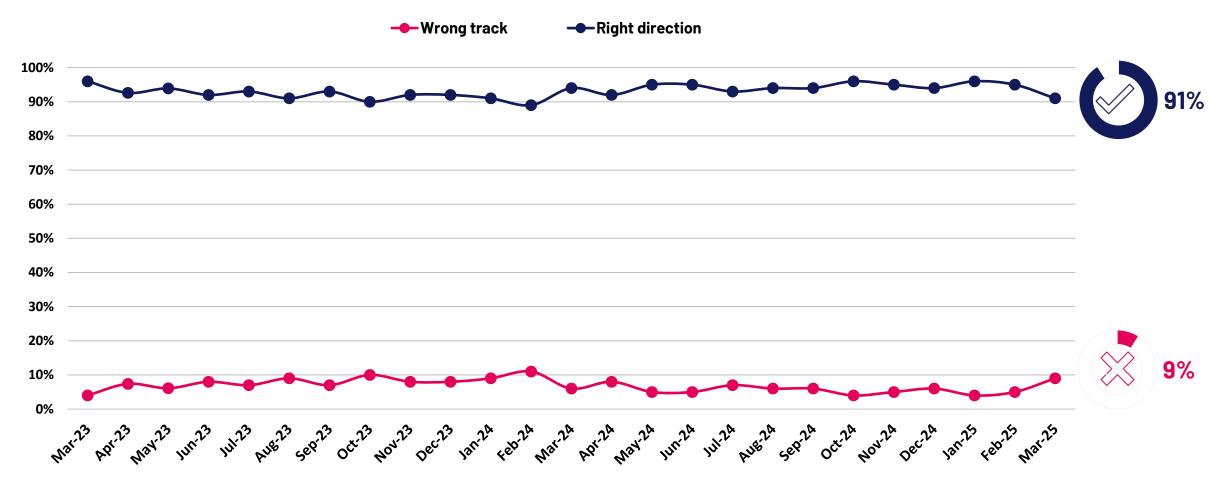
▲ Increased vs previous wave



## COUNTRY'S GENERAL SITUATION

### Saudi Arabia: right direction / wrong track

Q. Generally speaking, would you say things in this country are heading in the right direction, or are they off on the wrong track?





#### Right direction /wrong track - global comparison

Q: Generally speaking, would you say things in this country are heading in the right direction, or are they off on the wrong track?

Country	Wrong t	rack Right dire	ction	% change compared with previous wave; February 2025
China	5	%	95%	9%
Saudi Arabia	9%		91%	<b>-3</b> %
India	38%		<b>62</b> %	-1%
Argentina	41%		59%	-3%
Mexico	42%		58%	0%
Australia	52%		48%	6%
United States	57%	43	5%	2%
Poland	59%	41%	6	-3%
Belgium	64%	36%		1%
Brazil	66%	35%		1%
Spain	68%	32%		-3%
Canada	69%	31%		6%
Great Britian	71%	29%		-2%
South Africa	72%	29%		3%
Italy	72%	28%		-4%
Sweden	73%	28%		3%
Turkey	76%	24%		2%
Hungary	77%	23%		5%
Japan	79%	22%		-3%
Germany	79%	21%		5%
South Korea	83%	17%		-6%
France	86%	15%		2%



#### What concerns Saudi Arabia

Q: Which of the following do you find the most worrying in Saudi Arabia?

#### Concerns for consumers in Saudi Arabia

#### 40% Inflation 0% 34% Unemployment and jobs -4% Taxes 31% -2% 26% Climate change -2% 17% Education 1% 17% Healthcare 3% Moral decline 16% 2% Poverty and social inequality 16% 1% 14% Covid-19 -2% Threats against the environment 14% 2% Crime and violence 14% -2% Maintaining social relations 8% 1% 6% Immigration control 2% Rise of extremism 6% -1% Access to credit 5% 0%



% change compared with previous wave; February 2025

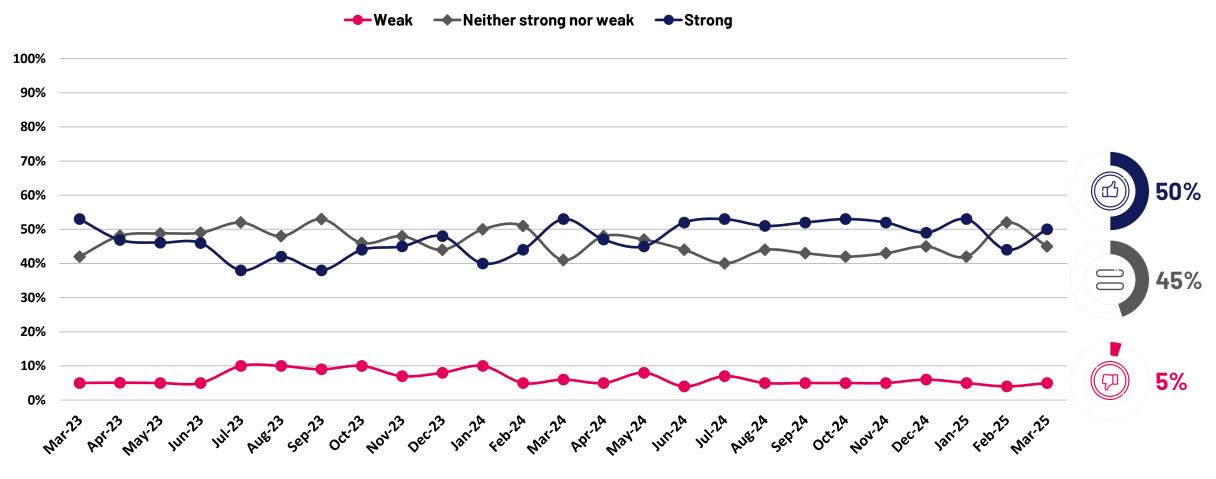
## PERSONAL FINANCIAL SITUATION

© Ipsos | PCSI- KSA | March 2025



### **Current personal financial situation**

Q. Rate your current financial situation, using a scale from 1 to 7, where 7 means your personal financial situation is very strong today and 1 means it is very weak.





#### Current personal financial situation global comparison

Q: Rate your current financial situation, using a scale from 1 to 7, where 7 means your personal financial situation is very strong today and 1 means it is very weak.

Saudi Arabia		50%
China	30%	
India	29%	
United States	18%	
Sweden	16%	
Mexico	16%	
Canada	14%	
Australia	14%	
Great Britain	12%	
Belgium	12%	
Brazil	11%	
South Africa	10%	
Spain	10%	
Turkey	10%	
Poland	9%	
Germany	8%	
France	7%	
Hungary	6%	
Argentina	6%	
Italy	6%	
South Korea	5%	
Japan	3%	

% Strona

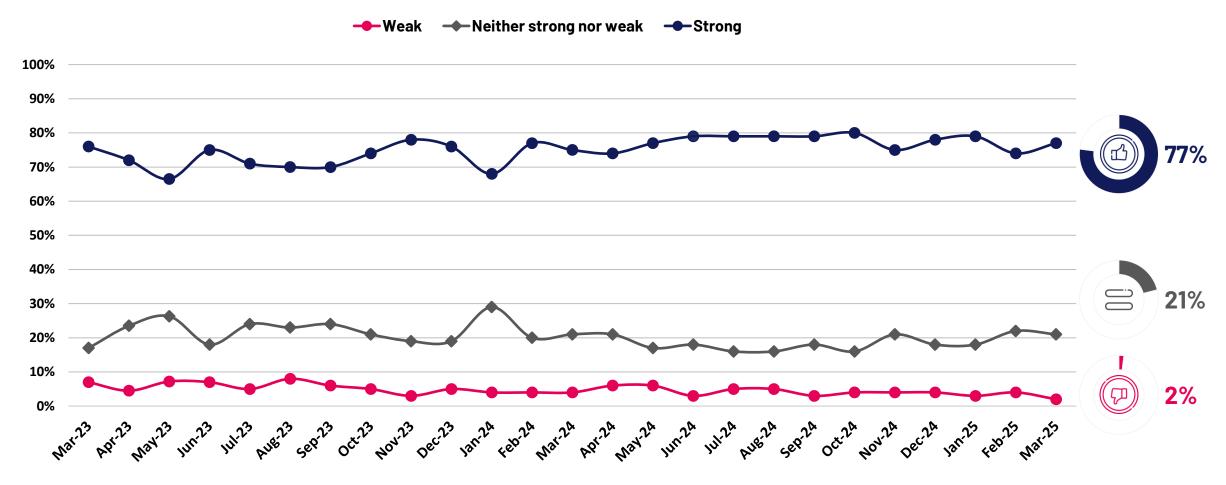
Country





#### **Future personal financial situation**

Q. Looking ahead six months from now, do you expect your personal financial situation to be much stronger, somewhat stronger, about the same, somewhat weaker, or much weaker that it is now?





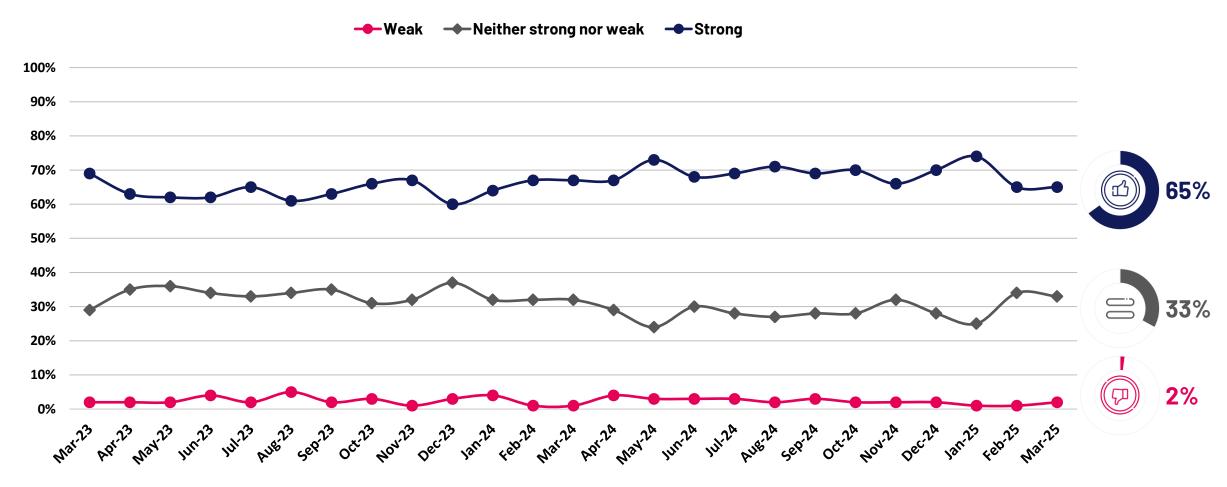
## SAUDI ARABIA'S ECONOMIC SITUATION



© Ipsos | PCSI- KSA | March 2025

#### **Current state of the economy**

Q: Rate the current state of the economy in your local area using a scale from 1 to 7, where 7 means a very strong economy today and 1 means a very weak economy.





#### Current state of the economy – global comparison

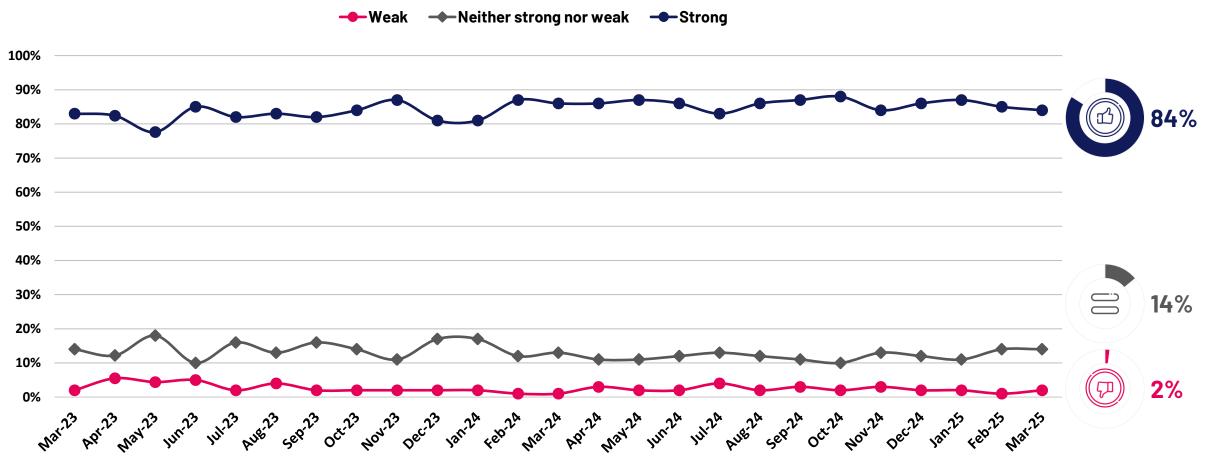
Q: Rate the current state of the economy in your local area using a scale from 1 to 7, where 7 means a very strong economy today and 1 means a very weak economy.

Country	% Strong	
Saudi Arabia		65
India	41	%
China	36%	
Mexico	17%	
United States	13%	
Sweden	12%	
Australia	12%	
Turkey	10%	
Brazil	10%	
Argentina	8%	
Poland	8%	
Great Britain	7%	
Spain	7%	
South Africa	7%	
Belgium	7%	
Italy	7%	
Germany	6%	
Canada	5%	
France	4%	
South Korea	4%	
Japan	3%	
Hungary	2%	



#### Future state of the economy

Q. Looking ahead six months from now, do you expect the economy in your local area to be stronger, about the same or weaker than it is now?





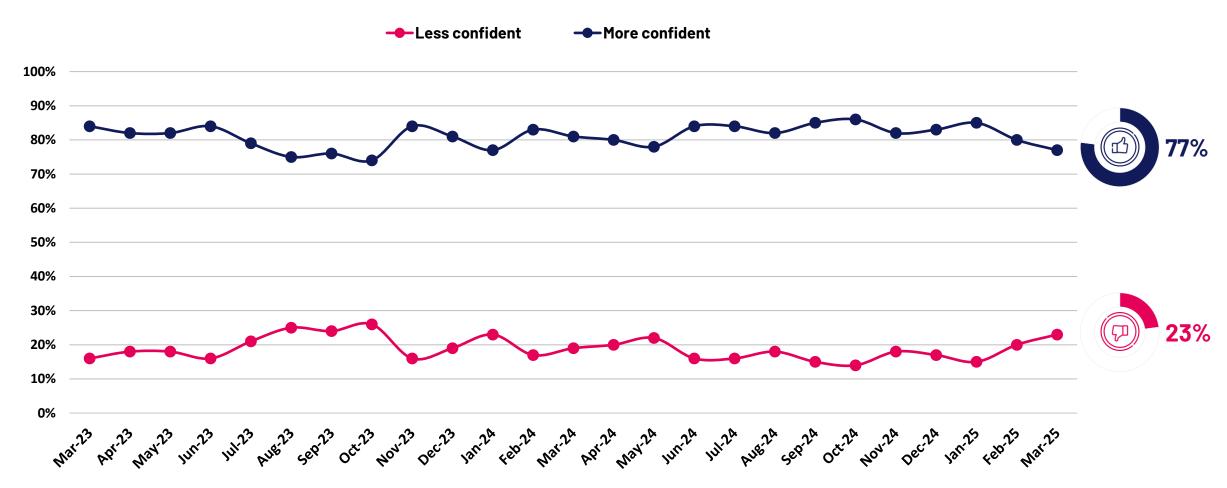
## EMPLOYMENT



© Ipsos | PCSI- KSA | March 2025

### **Job security**

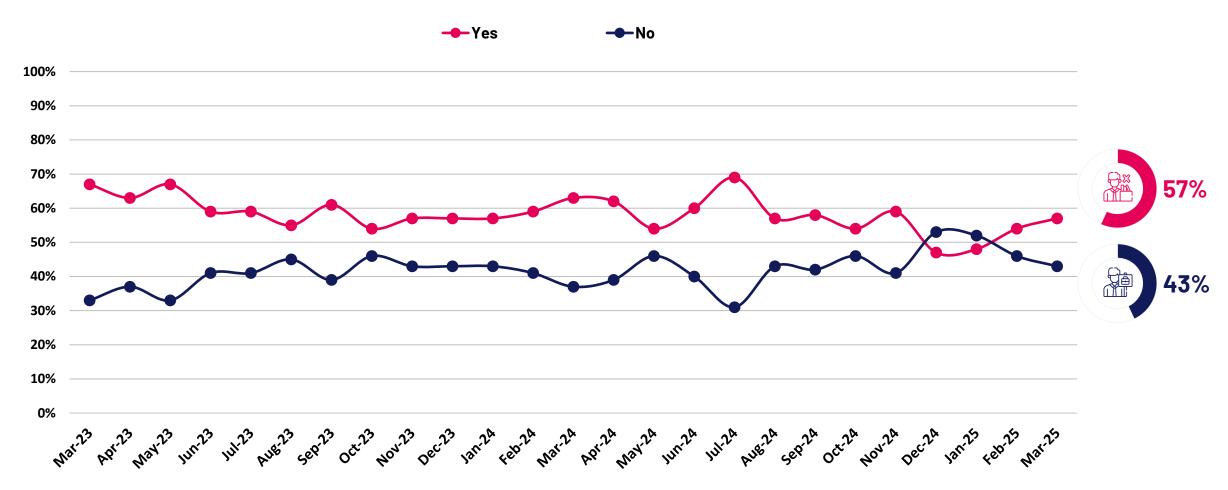
Q. Compared to 6 months ago, are you now more or less confident about job security for yourself, your family and other people you know personally?





### Job losses in the past 6 months

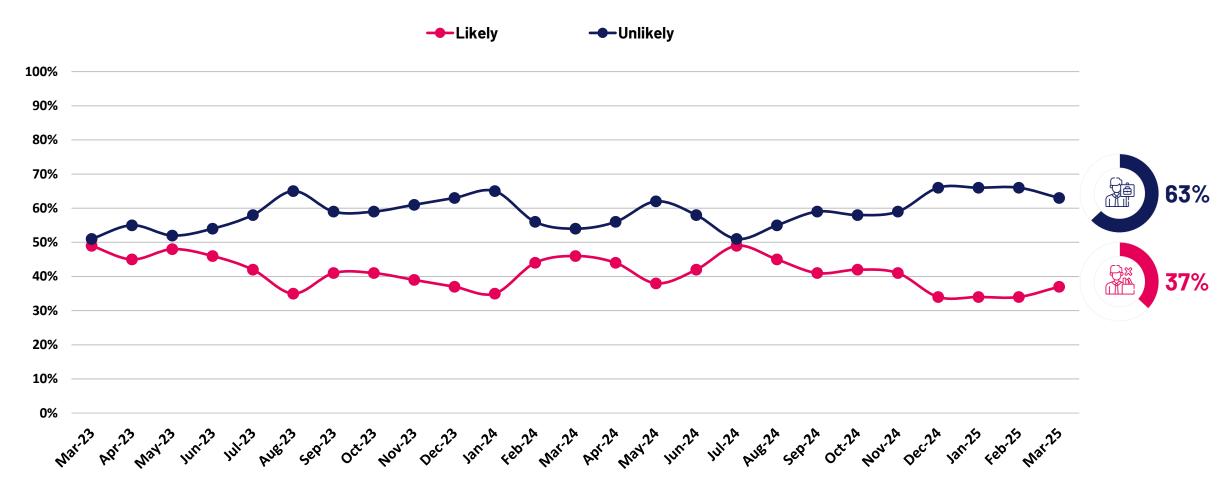
Q. Thinking about the last 6 months, have you, someone in your family or someone else you know personally lost their job as a result of economic conditions?





### Job losses in the next 6 months

Q. Looking ahead at the next six months, how likely is it that you, someone in your family or someone else you know personally will lose their job in the next six months as a result of economic conditions?





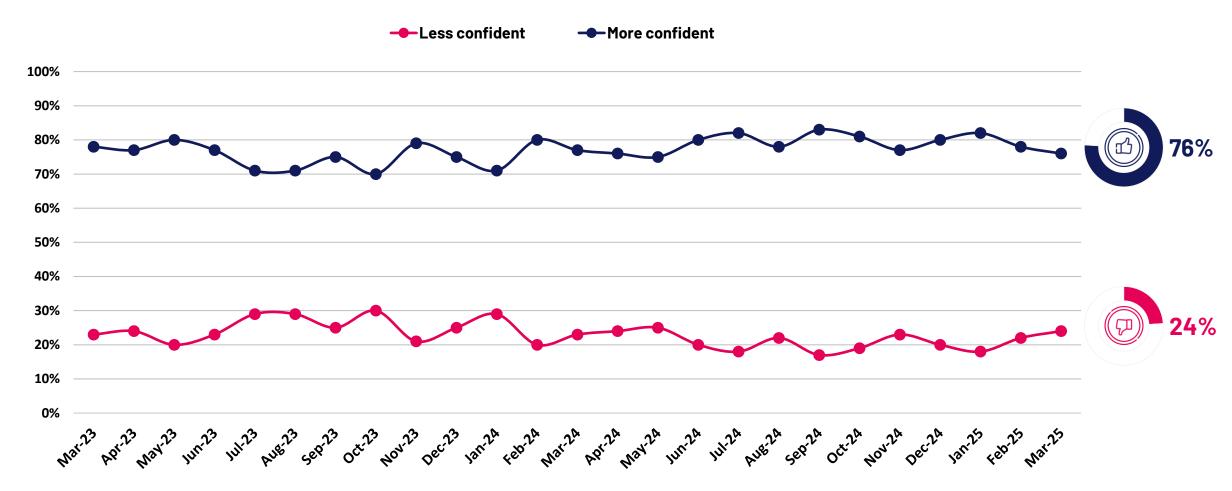
## INVESTMENT CLIMATE

© Ipsos | PCSI- KSA | March 2025

26

### Ability to invest in the future

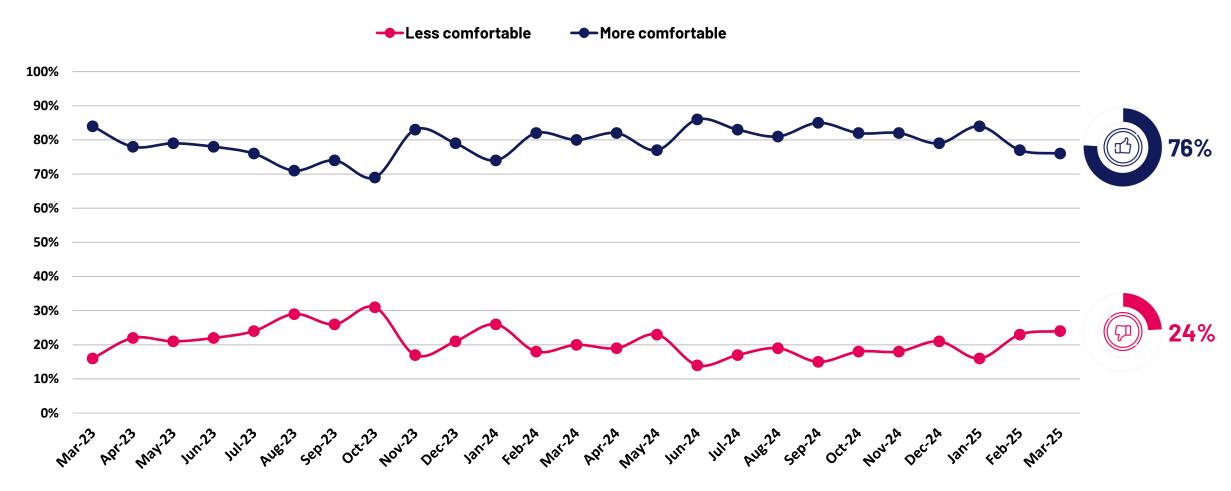
Q. Compared to 6 months ago, are you now more or less confident about your ability to invest in the future, including your ability to save money for your retirement and your children's education?





### Ability to make a major purchase

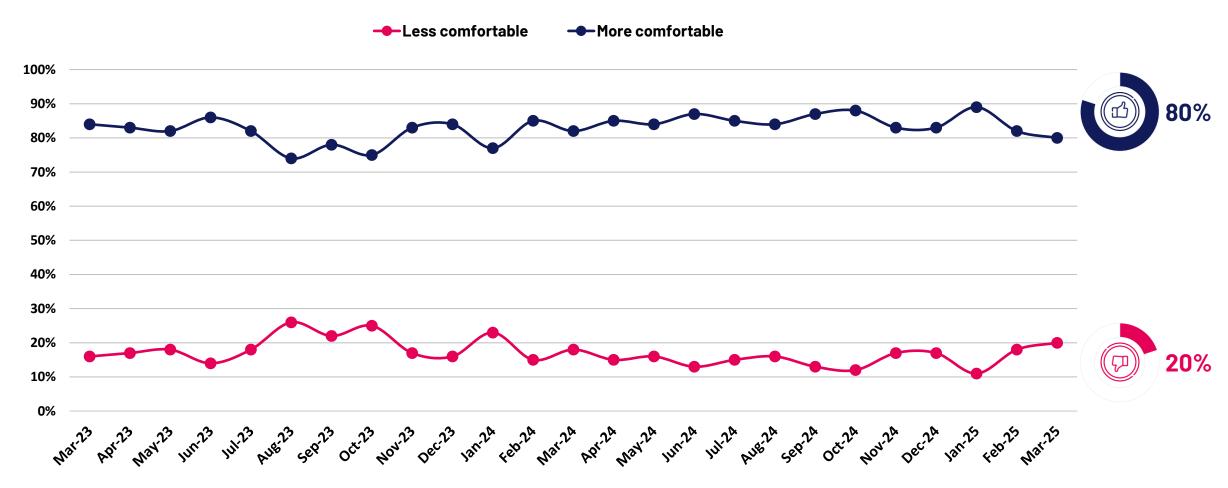
Q. Compared to 6 months ago, are you now more or less comfortable making a major purchase, like a home or car?





### **Buying household durables**

Q. Compared to 6 months ago, are you now more or less comfortable making other household purchases?





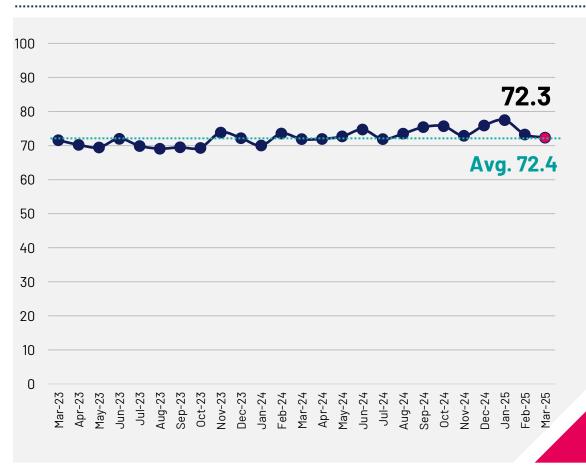
## **PCSI DEEP DIVE**

© Ipsos | PCSI- KSA | March 2025

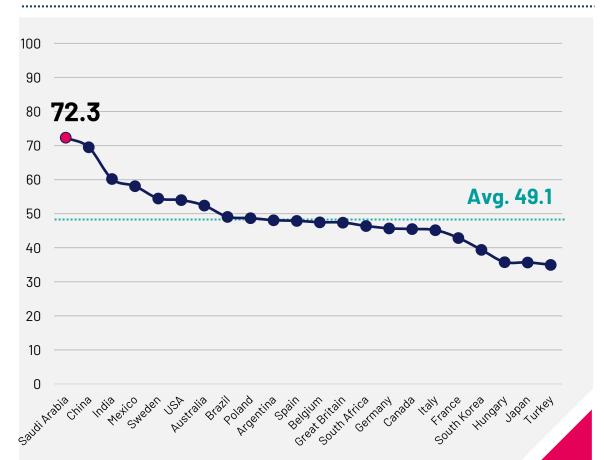


#### **Overall PCSI**

#### Saudi Arabia

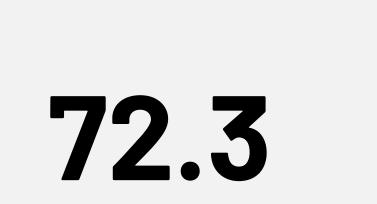


#### **Global comparison**

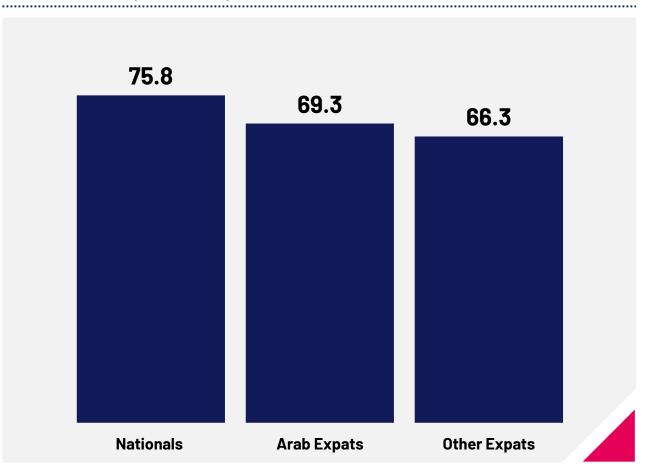




#### **Overall PCSI**



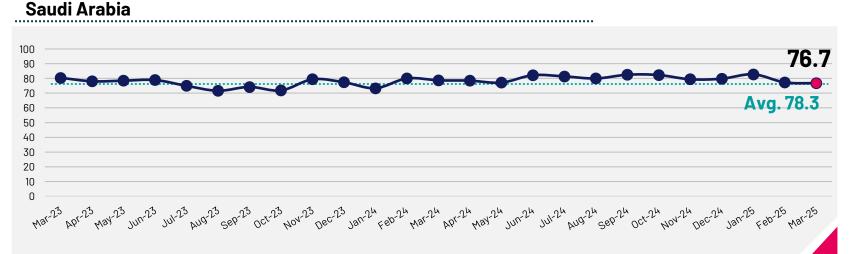
Overall primary consumer sentiment index Breakdown – by nationality

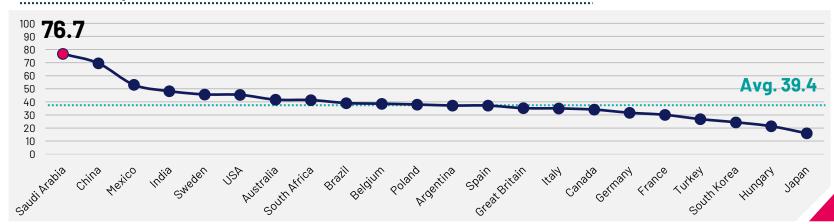




### **PCSI personal financial conditions**

- Compared to 6 months ago, are you now more or less comfortable making a major purchase, like a home or car?
- Compared to 6 months ago, are you now more or less comfortable making other household purchases?
- Compared to 6 months ago, are you now more or less confident about job security for yourself, your family and other people you know personally?
- Compared to 6 months ago, are you now more or less confident of your ability to invest in the future, including your ability to save money for your retirement or your children's education?
- Rate your current financial situation, using a scale from 1 to 7, where 7 means your personal financial situation is very strong today and 1 means it is very weak.
- Rate the current state of the economy in your local area using a scale from 1 to 7, where 7 means a very strong economy today and 1 means a very weak economy.





### Ipsos

#### **Global comparison**

#### **PCSI personal financial conditions**



PCSI personal financial conditions

82.2 73.7 66.1 Nationals **Arab Expats Other Expats** 

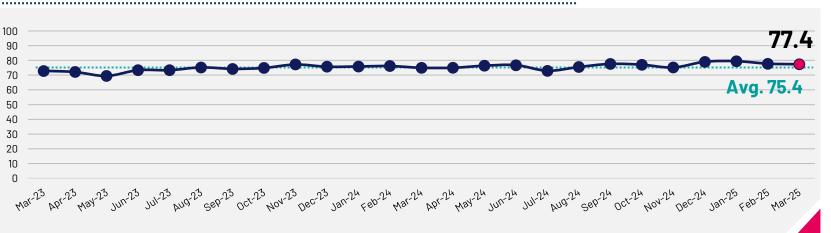


**Breakdown – by nationality** 

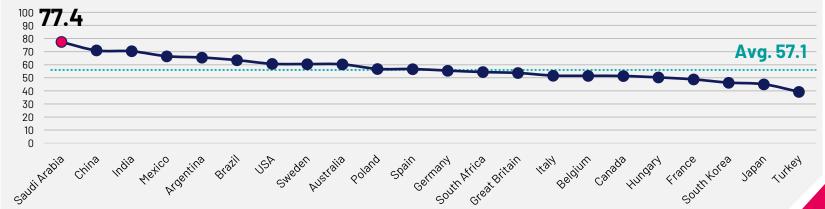
### **PCSI economic expectations**

#### Saudi Arabia

- Now look ahead at the next six months. How likely is it that you, someone in your family or someone else you know personally will lose their job in the next six months as a result of economic conditions?
- Looking ahead six months from now, do you expect the economy in your local area to be much stronger, somewhat stronger, about the same, somewhat weaker, or much weaker than it is now?
- Looking ahead six months from now, do you expect your personal financial situation to be much stronger, somewhat stronger, about the same, somewhat weaker, or much weaker than it is now?

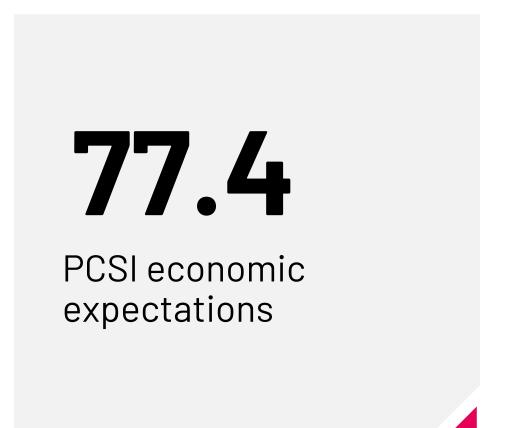




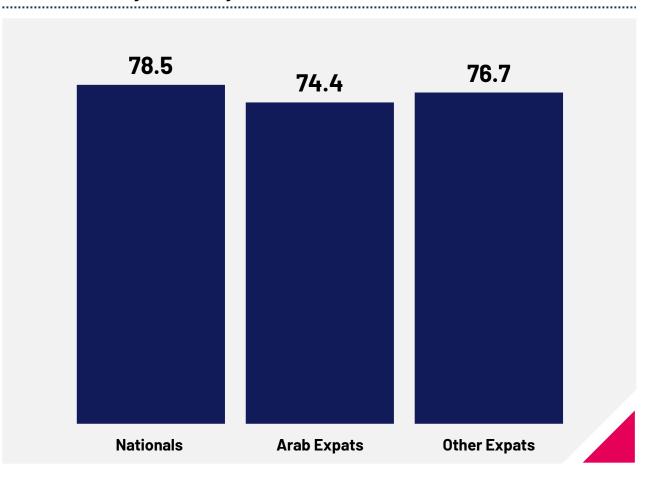




#### **PCSI economic expectations**



Breakdown – by nationality

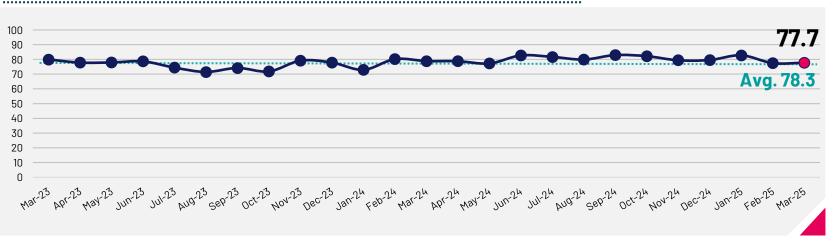


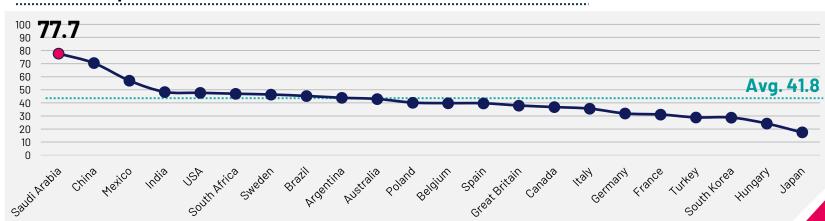


### **PCSI investment climate**

#### Saudi Arabia

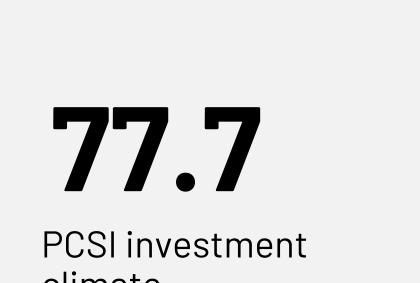
- Compared to 6 months ago, are you now more or less comfortable making a major purchase, like a home or car?
- Compared to 6 months ago, are you now more or less comfortable making other household purchases?
- Compared to 6 months ago, are you now more or less confident of your ability to invest in the future, including your ability to save money for your retirement or your children's education?
- Rate your current financial situation, using a scale from 1 to 7, where 7 means your personal financial situation is very strong today and 1 means it is very weak.
- Looking ahead six months from now, do you expect your personal financial situation to be much stronger, somewhat stronger, about the same, somewhat weaker, or much weaker than it is now?





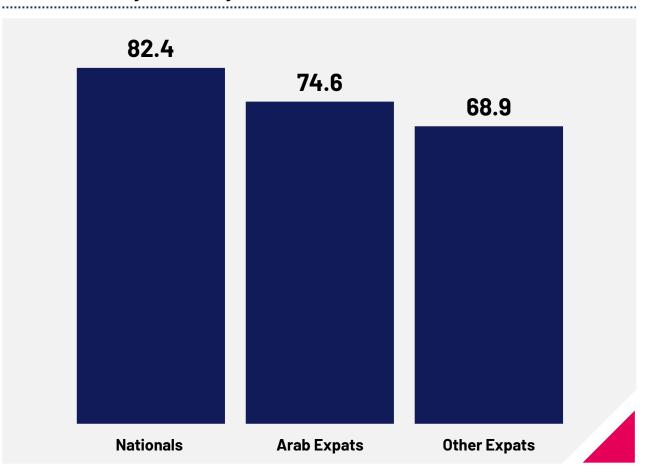
#### **Global comparison**

#### **PCSI investment climate**



climate

**Breakdown – by nationality** 

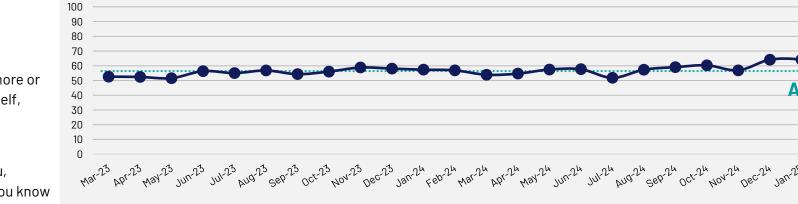


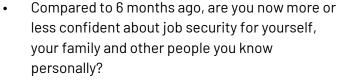


### **PCSI employment confidence**

#### Saudi Arabia

100 90 80 70 60 50 Avg. 56.8 40 30 20 10 Ο Mar-23 Jun-23 May-23 Jun-24 JU1-24 Nr-23 JUN 23 4923 CEP 23 OCT 23 OP 23 JAN 24 E8D 24 Mar 24

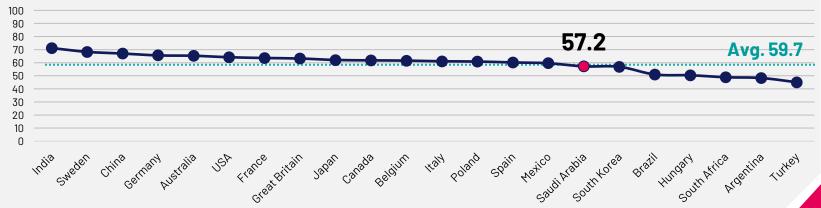




- Thinking about the last 6 months, have you, ٠ someone in your family or someone else you know personally lost their job as a result of economic conditions?
- Now look ahead at the next six months. How likely ٠ is it that you, someone in your family or someone else you know personally will lose their job in the next six months as a result of economic conditions?

#### **Global comparison**





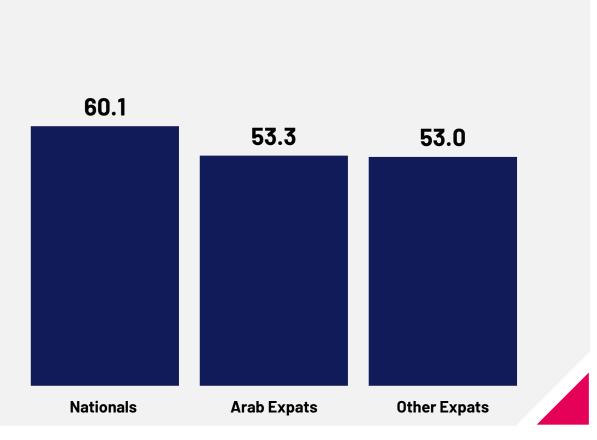


#### **PCSI employment confidence**

Breakdown – by nationality

# **57.2**

PCSI employment confidence





## Sample and methodology

- Methodology Self Administered Online Interviews
- Sample Size 500 Respondents
- Age 16 years and above
- Sample Criteria General Public

The PCSI Index is calculated by utilizing data from the survey results. Responses are divided into aggregated Top Box(Reward) numbers and Bottom Box (Penalty) numbers. Using Shapely Value Analysis, values were generated for the penalty and reward for each question. The magnitude of each question is the difference between the reward and penalty. An Importance factor, which the ultimate weight of the particular question in the index, is the magnitude of each question divided by the total magnitude of all questions. A Top Box Weight for each question is

calculated by dividing the Reward by the magnitude of each question. Similarly, the Bottom Weight for each question is calculated by dividing the Penalty for each question by magnitude of the same. The Index Value for each question is calculated by using the formula: Importance x (Top Box Wt \* Top Box %) -(Bottom Box Wt \* Bottom box %).



# For More Information



Senior Client Director Ipsos in KSA mohamad.jobeilly@ipsos.com

